

761—20.2(307) Definitions. As used in this chapter, unless the context otherwise requires:

20.2(1) “*Department*” means the Iowa department of transportation.

20.2(2) “*Firm*” means any bona fide contracting entity including individuals and educational institutions. Except for educational institutions, the term shall not include governmental agencies or political subdivisions.

20.2(3) “*Competition*” means the efforts of three or more parties acting independently to secure a contract with the department to provide equipment, materials, supplies or services to the department by offering or being in a position to offer the most favorable terms.

“Favorable terms” includes, but is not limited to: Price, speed of execution, anticipated quality of the product to be provided judged according to the expertise and experience of the provider, or ability to produce a desired result or to provide a desired commodity.

20.2(4) *Methods of procurement.*

a. “*Formal advertising*” means procurement by competitive bids and awards involving the following basic steps:

(1) Preparing a request for proposals, describing the requirements of the department clearly, accurately and completely, but avoiding unnecessarily restrictive specifications or requirements which might unduly limit the number of bidders. The term “request for proposals” means the complete assembly of related documents (whether attached or incorporated by reference) furnished to prospective bidders for the purpose of bidding.

(2) Distributing the request for proposals to prospective bidders and advertising in appropriate media in sufficient time to enable prospective bidders to prepare and submit bids before the time set for public opening of bids.

(3) Receiving bids submitted by prospective contractors.

(4) Awarding the contract, after bids are publicly opened, to that responsible bidder whose bid conforms to the request for proposals and is the most advantageous to the department, price and other factors considered.

b. “*Limited solicitation*” means procurement by obtaining a sufficient number of quotations or bids from qualified sources:

(1) As is deemed necessary to ensure that the procurement is fair to the department, price and other factors considered, including the administrative costs of the procurement.

(2) As is consistent with the nature and requirements of the particular procurement.

(3) So that the procurement is competitive to the maximum practicable extent.

c. “*Negotiation*” means any method of procurement other than formal advertising or limited solicitation.